



FRANCHISE DISCLOSURE DOCUMENT
ISSUANCE DATE: APRIL 1, 2016

SCHLOTZSKY'S FRANCHISE LLC
A Georgia limited liability company
5620 Glenridge Drive NE, Atlanta, Georgia 30342
(404) 255-3250
requests@schlotzskys.com
www.schlotzskys.com

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You will operate a Schlotzsky's® restaurant ("Restaurant"). Schlotzsky's® restaurants are bakery-cafe, quick casual restaurants featuring premium sandwiches, pizzas, soups and salads and complementary food and beverages. As a condition of granting you a Schlotzsky's® franchise, we also typically require you to purchase a Cinnabon® Express franchise to operate inside the Restaurant, except in rare instances involving non-traditional locations.

The total investment necessary to begin operation of a Schlotzsky's® franchise with a Cinnabon® Express franchise inside it ranges from \$503,814 to \$786,984 (\$358,449 to \$979,984 for a converted location). This total investment estimate includes \$37,500 that must be paid to us or to our affiliates. The total investment necessary to begin operation of a Schlotzsky's® Cafe Xpress restaurant with a Cinnabon® Express franchise inside ranges from \$42,064 to \$701,984 (\$272,564 to \$661,984 for a converted location). This includes \$37,500 which must be paid to us or to our affiliates.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our sales department at 5620 Glenridge Drive NE, Atlanta, Georgia 30342 and 404-255-3250 or requests@schlotzskys.com.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

The issuance date of this Franchise Disclosure Document is April 1, 2016.

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. **REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in Exhibit F to this Disclosure Document for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

- [1] THE FRANCHISE AGREEMENT PERMITS YOU TO ARBITRATE OR SUE ONLY IN GEORGIA. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT ALSO MAY COST MORE TO ARBITRATE WITH OR SUE SCHLOTZSKY'S IN GEORGIA THAN IN YOUR HOME STATE. CERTAIN STATES HAVE LAWS THAT SUPERSEDE THIS REQUIREMENT. SEE THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND THE STATE ADDENDA TO THE DISCLOSURE DOCUMENT.
- [2] THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS. EVEN THOUGH THE FRANCHISE AGREEMENT PROVIDES THAT GEORGIA LAW APPLIES, LOCAL LAW MAY SUPERSEDE THIS REQUIREMENT IN YOUR STATE. SEE THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND THE STATE ADDENDA TO THE DISCLOSURE DOCUMENT.
- [3] THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The effective dates of this Franchise Disclosure Document in the states with franchise registration laws in which we have sought registration appear on the following page.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/schlotzskys>